

MATERIEL

LOGISTICS MANAGEMENT NEWSLETTER

Dispatch



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A&MM

Office of Acquisition and Materiel Management

Meet the new Deputy Assistant Secretary for Acquisition and Materiel Management

Jan R. Frye

Jan R. Frye was appointed as the Deputy Assistant Secretary for Acquisition and Materiel Management, on September 4, 2005. As the Deputy Assistant Secretary of one of the largest acquisition and materiel management programs in the federal government, he manages and oversees the development and implementation of policies and procedures for departmentwide acquisition and logistics programs supporting all VA facilities. His responsibilities include management of VA's National Acquisition Center in Hines, IL, and the Denver Distribution Center.

Prior to his current appointment as the Deputy Assistant Secretary, he served as the Chief of Contracting, Department of Transportation Federal Motor Carrier Safety Administration.

He is a retired US Army Colonel, where he served in senior acquisition and logistics positions. He served as the Principal Assistant Responsible for Contracting, the senior acquisition executive, in Eighth US Army/US Forces Korea, and in the US Army Military Surface Deployment & Distribution Command. He was the Deputy Principal Assistant Responsible for Contracting, US Army Corps of Engineers. He served as the commander of two Department of Defense acquisition commands in the United Kingdom and Minneapolis, MN. He also served as the Deputy Commander, Rock Island Arsenal, IL.

Mr. Frye, a native of Chester, NE, entered the Army in 1973 as a Distinguished Military Graduate from the University of Nebraska-

Kearney Reserve Officer Training Corps program. He holds a B.A. degree in Education from the University of Nebraska, a M.S. degree in Contracting & Acquisition Management from the Florida Institute of Technology, and a M.S. degree in National Resource Strategy from the National Defense University. He is also a graduate of the US Army Command and General Staff College, the Defense Systems Management College, and the Industrial College of the Armed Forces. He holds the Acquisition Professional Development Program's highest certification in program management and contracting.



A Message from the DAS

VA logistics faces many immediate challenges. These include implementing a new generation automated inventory management system, certification and professionalizing of the logistics workforce, development of new training instruments, application of new technologies such as Radio Frequency Identification (RFID), enforcing compliance with VA policy, and assuring VA policy is up-to-date and responsive. But these challenges also present opportunities for much needed changes. OA&MM will take a strategic leadership role in partnering with VA customers and stakeholders to enable better service to our veterans through enhanced VA logistics.

GPO AWARDS CONTRACT TO KINKO'S

The recent announcement that the Government Printing Office (GPO) has awarded a contract for print services with FedEx Kinko's has led some to believe that they can purchase print services from Kinko's with their Government issued credit card. This is not so! Agency employees will use a GPO/FedEx Kinko's authorization card (GPOExpressSM) to place orders by walking into one of FedEx Kinko's 1,400 locations or by placing orders on-line. However, this is not as easy as it sounds. To initiate participation in Program 950-S, the agency must submit to GPO a SF 1, Printing and Binding Requisition to the Public Printer, with funding either in the form of a GPO Deposit Account or an IPAC account using detail level reporting for each fiscal year.



Some of the other conditions are:

- The agency will nominate personnel who have authority to use Program 950-S and will document for GPO the authority of each individual nominated.
- The agency must designate (subject to the approval of GPO) a per-transaction spending limit for each employee making purchases under Program 950-S. This limitation may be modified at the request of the agency or may be modified by the GPO. The total of a single transaction may be comprised of multiple items. Each transaction cannot exceed the pre-established monetary single purchase limit, and transactions may not be split to stay within this limit.
- The agency must provide GPO a point of contact (POC) for handling spending limit override requests and for administration of the agency's **GPOExpressSM** program participation.
- Nominated agency employees must complete Program 950-S **GPOExpressSM** training prior to the issuance of an authorization card.
- The **GPOExpressSM** card will be sent to the cardholder with his or her name printed on it, and the card can only be used by that person. Each cardholder must take necessary action to ensure that the **GPOExpressSM** card is used in a prudent manner and safeguarded by the cardholder.
- The **GPOExpressSM** card is for official use only. Use of the card for a personal purchase, purchase of supplies or services that the cardholder lacks authority to make, or by a person other than the cardholder is prohibited.
- Unauthorized purchases may result in any or all of the following: (1) the cardholder being billed the full cost of the purchase plus interest and administrative debt collection fees as authorized by the Debt Collection Act; (2) referral of the unauthorized purchases to the appropriate Office of Inspector General for investigation or prosecution; or (3) disciplinary action, up to and including removing the employee from federal service. Intentional use of this card for unauthorized purposes will be considered an attempt to commit fraud against the U.S. Government.
- The agency agrees not to use Program 950-S to acquire anything for which a GPO requirements contract, written for the agency, already exists.
- The agency must report promptly to the GPO Project Manager <gpoexpress@gpo.gov> the transfer or separation of any employee possessing a **GPOExpressSM** card, the loss or theft of a **GPOExpressSM** card, and any request to cancel an agency **GPOExpressSM** card.

Several other requirements exist that can be obtained by calling or sending an email to:

Ralph L. Taylor at 202-565-6518
Ralph.L.Taylor@va.gov

Watson Thomas at 202-565-4227
Watson.Thomas@va.gov

Richard Reedy at 202-565-5554
Richard.Reedy@va.gov

R. Taylor

OA&MM Capital Leasing Program

If your medical equipment is aging and is occasionally or frequently on the fritz, it's time to consider replacing it. If your appropriated funds are limited and your available funds are already obligated or committed, then it's time to consider the VA Capital Lease Program. This program applies to equipment costing \$100,000 or more and allows the lessee to spread the cost of the lease over a period of time not exceeding 5 years. This program is also applicable to equipment costing less than \$100K, but the term is limited to 1 year although the 5 percent fee still applies. So if your CT scanners, cardiac catheterization equipment, or even your telecommunications equipment need replacing or upgrading, then consider the Capital Leasing Program. The VA Capital Lease Program is a benefit to facilities and organizations that need equipment now but their available funds are insufficient to pay the full purchase price this year.

Some of the benefits derived from the VA Capital Lease Program include:

- Participants can spread the cost of their equipment with installments payments ranging from 1 to 5 years.
- This program is a lease-to-own arrangement with a minimal service fee of 5 percent to cover administrative costs.
- This program is also offered to other government agencies at a minimal service fee of 6 percent.
- An "early buyout" feature of this program facilitates wise use of remaining end-of-year funds, and no pre-payment penalties will be incurred.
- Discounts and trade-in allowances can reduce the principal amount of the lease, thus reducing the facility payments and service charges.
- Lease payments can be made from either the equipment or operating funds.
- Equipment can be acquired by a facility's contracting office or through the NAC. The NAC will negotiate with the vendor, acquire the equipment, and oversee the equipment's installation.

For more information regarding the Capital Leasing Program, you may contact any of the following individuals:

Don Hufford (don.hufford@va.gov) or (202) 273-6125

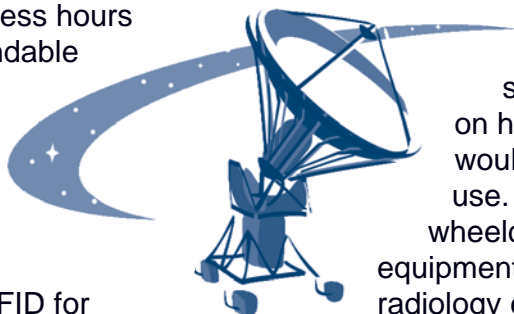
Stacey Durant (stacey.durant@va.gov) or (708) 786-7549

Ronald Sires (ronald.sires@va.gov) or (202) 273-8082, or go to the OA&MM HomePage at:

<http://vawww.va.gov/oa&mm/financial/caplease.htm>

RADIO FREQUENCY IDENTIFICATION (RFID) TECHNOLOGY AND YOU

Each year, VA spends countless hours tracking down its nonexpendable assets. Recent Office of the Inspector General (OIG) annual reports suggest that VA loses millions of dollars worth of nonexpendable equipment annually. Your facility may be an ideal environment for using RFID for



asset tracking. Fixed passive, semi-passive, and active RFID tags on high-value assets within the facility would make them readily available for use. There are plenty of target assets: wheelchairs, specialized beds, surgical equipment, mobile devices, infusion pumps, radiology equipment, pharmaceuticals, and

more. From a compliance perspective, RFID will help set up a chain of accountability that is indispensable. Also consider benefits that accrue from knowing where all your high-value assets are at any given time. Some equipment in the medical setting is 'squirreled away' by employees. When it is time to use it, it cannot be found, and to make matters worse, you are still paying for the equipment in terms of space and maintenance. By getting a handle on your assets, you'll cut down on those costs associated with replacements for assets assumed to be lost.

Given all the positive aspects of RFID technology, why have federal agencies and the VA not embraced the technology? To date, there are several reasons: cost and lack of consistent agency standards are two important ones. While RFID has taken off in terms of interest, it has not in terms of investment. Typically, a medium facility may need between \$750k – \$1 m to retrofit their facility for RFID technology.

Because of all the variables in selecting RFID technology, the Office of Acquisition and Materiel Management (OA&MM) is proposing establishment of a RFID Technology Council. This council would combine the efforts of VA and its administrations. The council would develop departmental standards and guidance on RFID applications. Proposed council members currently sit on interagency (Federal) councils to assure that VA's perspective and concerns are brought to the table. Part of our mission is to help field facilities understand the promise of the technology and make good decisions on its applications.

*RFID technology,
coming soon to a facility near you!*

If you have questions regarding RFID technology, contact Jesse Beaman, OA&MM (202-273-9533) or by e-mail: jesse.beaman@va.gov

J. Beaman

How Safe Are Your Safety Shoes?



In the private sector as well as the federal government, employees working with heavy equipment and hazardous materials are required to be provided Personal Protection-Protective Footwear that meets Department of Labor, OSHA safety standards in accordance with 29CFR1910.136. Each year, employees file workers compensation claims due to faulty safety shoes.

In VA facilities workers in areas of Supply, Processing, and Distribution; Warehouse, Facilities Management; and Environmental Management, just to name a few, require safety shoes. You may ask why employees in these areas would need specific safety footwear.

- *Supply, Processing, and Distribution* – Employees handle heavy instrumentation trays, heavy packages, and heavy case carts.
- *Warehouse* – Employees receive packages delivered to the medical center by several different carriers and different types of vehicles. They are also required to operate forklifts, pallet jacks, carts, and other equipment to deliver goods to customers and to store items on shelving units.
- *Facilities Management* – Employees are exposed to construction sites, electrical wires, cables, pipes, iron beams, and concrete, just to name a few hazardous conditions.

So, since we have issued safety shoes to our employees are, we confident they are protected? Maybe not, but remember the standard performance of the footwear must be designed to protect feet from injury, falling or rolling objects, puncture or electrical hazards, and protect the person from slipping or falling in potentially hazardous areas. When purchasing

safety footwear, ensure it complies with (ANSI) Z41-1991, American National Standards Institute for Personal Protection Protective Footwear.

Bridget L. Canada

Vehicle Donor Program

VA recently received a bulk donation of vans purchased by the Disabled American Veterans (DAV). In accordance with Title 38 USC, VA has the authority to accept such donations.



The VA General Council has stated that if and when your facility receives a vehicle from a donor such as the DAV, a conditional gift agreement should be established and signed by both parties stipulating the desires of the donor and concurrence of VA. The conditions must be legal and not cause undo hardship on either party. It is, therefore, important that the agreement be reviewed by your district counsel to assure no conflicts will arise at a later date. The gift agreement should indicate if the donor does not intend to fully relinquish all control over the future use of the property. To become effective, the agreement must be in writing and agreed to by both parties (in the case above, the commander of the DAV and the VA facility director.) In other words, the agreement must establish a contract between the donor and VA, in which VA agrees to accept the donated item subject to terms spelled out by the donor.

In addition, the agreement should specify which party becomes responsible for the maintenance and care of the donated vehicle. The agreement should also indicate how the vehicle is to be disposed of at the end of the contract, i.e., is the vehicle to be returned to the donor, sold by the facility, or sold by the DAV.

As a result of the recent bulk donation, many facilities are asking VA Central Office (VACO)

to provide Certificates of Title, Certificates of Origin, or SF-97, Certificates to Obtain Title in order to return the used vehicles to the local DAV. Prior to 2002, VACO did not maintain these documents. These certificates need to be stored in a safe or vault at your facility. If you are obtaining vehicles from donors other than the bulk donation, the location of the documents should be in the comments section of your local AMES/MERS. If you cannot locate the certificates, you should check with either Engineering or Volunteer Services. In addition, SF-97s will only be issued by VACO in the absence of a title, so it is imperative that you secure the original Certificate of Title or Certificate of Origin. You should be aware that your facility could be named in a litigation action if a SF-97 is issued and a Certificate of Title shows up after the fact.

If your facility has the original Certificate of Title or Certificate of Origin, there is no need to request a SF-97 from VACO. You return either certificate with the vehicle back to the donor. It is up to the donor to sign the title over to the new owner or to request a duplicate title from the state in which it was issued and then sign it over to the new owner.

Prior to returning the vehicle, a memorandum signed by your facility director needs to be prepared indicating that the vehicle in question is being returned in accordance with the requirements stipulated in the conditional gift agreement. The memorandum should also indicate that the vehicle meets or exceeds the General Services Administration (GSA) replacement standards (which is 7 years or 60,000 miles) and that the vehicle is no longer needed by the facility.

If you have questions regarding the Donor Vehicle Program, you may contact Jesse Beaman, VACO at 202-273-9533 or send an e-mail to jesse.beaman@mail.va.gov.

J. Beaman

NEW TERMINOLOGY

There has been some e-mail traffic with questions regarding new terminology used to describe a Responsible Official/Service Chief and NX Technician.

In accordance with VA Directive 7127.4, released October 11, 2005, which introduced new terms, requirements, and procedures, such as:

- a. Custodial Officer – Federal Term for Responsible Official/Service Chief
- b. Property Specialist – Federal term for nonexpendable (NX) Clerk/Supply Technician

Such terminology, while new to VA, has been in federal regulations for some time now. The new VA terminology will be incorporated into

future rewrites of VA directives/handbooks and information letters.

This terminology started to appear several years ago in VA documents and regulations and is used by many other federal agencies. It will be incorporated into future rewrites of the Combined Federal Regulations and Federal Management Regulations.

For those of you who have been in the VA system for a while, it is just like when we went from Consolidated Memorandum Receipts to Inventory Equipment Listings.

The full directive can be found on the newly redesigned OA&MM web page.

<http://www1.va.gov/oamm/acquisitions/ars/policyreg/hbs/7127-4h.pdf>

C. Joseph

America Recycles Day: Focusing on Electronics Recycling

America Recycles Day (ARD) is celebrated annually on November 15 to draw national attention to the importance of recycling and buying recycled content products. Over the past few years, the recycling focus has expanded from such traditional materials as paper, plastic, and glass to obsolete electronics—one of the fastest growing waste streams in the United States. Since electronics often contain a variety of toxic materials, such as lead, mercury, and cadmium, they also make up one of the most complex and potentially hazardous waste streams.

To stem the tide of unwanted computers, printers, cell phones, and other electronics from entering landfills and posing a risk to public health and the environment, Edwin Piñero, the Federal Environmental Executive, chose ARD 2005 to launch the Electronics Reuse and Recycling Challenge (ERRC), a special competition of the Federal Electronics



Challenge (FEC). Mr. Piñero called on all FEC partners, including the Department of Veterans Affairs (VA), to lead by example and promote the reuse, including through authorized donations to schools under Executive Order 12999, Computers for Learning or recycling of excess or surplus electronics.

The ARD program sponsored by the Office of Acquisition and Materiel Management (OA&MM) at VA Central Office on November 15, 2005, featured a presentation on the ERRC by Laura Nazef of the U.S. Environmental Protection Agency (EPA). Ms. Nazef called attention to OA&MM's efforts to ensure the responsible disposition of VA's electronic assets and presented a recognition plaque to Jan R. Frye, Deputy Assistant Secretary for Acquisition and Materiel Management, on behalf of the Office of the Federal Environmental Executive. Other program highlights included an electronics recycling demonstration by Aaron Aragon of

UNICOR. Mr. Aragon not only pointed out the hazardous constituents of a computer and cathode ray tube monitor, but also “mined” for gold and other precious metals contained within the equipment. At the “Recycling and Green Purchasing Awareness Fair” following the program, Mr. Aragon joined representatives from the Javits-Wagner-O’Day Program, service-disabled veteran-owned businesses, EPA, and other organizations in exhibiting a wide array of recycled content products and services.

The ERRC ended on Earth Day, April 22, 2006, when selected Federal agencies and

facilities received national recognition based on the amount of excess or surplus electronics donated or recycled. For more information about the ERRC or FEC, which helps Federal agencies and facilities to buy greener electronic products, reduce the environmental and energy impacts of electronic products during use, and manage electronics in an environmentally safe way, visit <http://www.federalelectronicchallenge.net>.

Barbara Matos

2nd Annual Louis P. Nangeroni Award for Excellence in Logistics

It’s not too early to start planning for your submissions for the 2nd Annual Louis P. Nangeroni Award for Excellence in Logistics.



This award recognizes the outstanding efforts of VA employee or teams to improve logistics and/or materiel management practices at their facilities or within their organizations. The Office of Acquisition and Materiel Management (OA&MM) will be issuing an information letter shortly to provide program information, eligibility criteria, nomination procedures and guidelines. OA&MM will post the information letter on its new website in June 2006. Questions regarding the Louis P. Nangeroni Awards Program may be directed to Jesse Beaman, OA&MM, by e-mail at jesse.beaman@va.gov or by telephone at (202) 273-9533.

J. Beaman

We encourage all constructive comments and recommendations on how to better serve our customers. Information and articles for publication are welcomed and should be sent to:

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